

ATTACHMENT A

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
Office of Public and Indian Housing

SECTION 8  
HOUSING ASSISTANCE PAYMENTS  
MODERATE REHABILITATION PROGRAM

RENEWAL OF HAP CONTRACT

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1. BACKGROUND

Previously, the PHA entered into a HAP contract with the owner under the Section 8 Moderate Rehabilitation Program. The HAP contract provided for Section 8 housing assistance payments by the PHA to the owner. The HAP contract identified covered contract units and specified the term of the HAP contract for such units.

The term of the HAP contract expires during federal fiscal year 1998. Under Section 522(b) of the HUD appropriation for federal fiscal year 1998 (Public Law 105-65, October 27, 1997, 111 Stat. 1433 et seq.), HUD is authorized to renew expiring Section 8 contracts for a period of one year. This renewal contract is entered in accordance with Section 522(b).

The one-year term of the renewal contract commences on the day after the HAP contract expires. The commencement date is specified in the "contract information" attached as an exhibit to this renewal contract.

(For HAP contracts that expire in stages, the term of the one-year renewal for each stage commences on the day after expiration of the HAP contract for each stage. The exhibit of contract information separately specifies the commencement date for renewal of each HAP contract stage expiring in federal fiscal year 1998, and identifies the number of units, number of bedrooms, and contract rent of the contract units included in each stage.)

2. DEFINITIONS

Commencement date. The beginning of the one-year renewal term. (The commencement date is specified in the contract information exhibit.)

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Contract information. An exhibit attached to and made a part of this renewal contract. The exhibit specifies the amount of budget authority, commencement date of the renewal term, number of units, number of bedrooms and contract rent.

Contract units. The units covered by this renewal contract.

Federal fiscal year 1998. The period from October 1, 1997 through September 30, 1998.

HAP contract. Section 8 Housing Assistance Payments Contract.

HUD. The U.S. Department of Housing and Urban Development.

One year. 365 days.

PHA. Public Housing Agency (also called a "housing agency" or "HA").

Public Housing Agency (PHA). The agency that has entered this renewal contract with the owner.

Section 522(b). Section 522(b) of the HUD appropriation for federal fiscal year 1998 (Public Law 105-65, October 27, 1997, 111 Stat. 1433 et seq.).

Section 8. Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

### **3. TERM OF RENEWAL**

The expiring HAP contract is renewed for a period of one year (365 days) beginning on the commencement date. (For HAP contracts that expire in stages, the contract information exhibit separately specifies the commencement date for the one-year renewal term of each stage.)

### **4. CONTRACT RENT**

During the renewal term, the monthly contract rents for the contract units described in the exhibit of contract information shall be the amounts specified in the exhibit. The owner

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shall not receive any other payment or compensation for rental of the units.

Notwithstanding the amounts of the contract rents specified in the exhibit of contract information, contract rents shall in no event exceed the rent levels permitted by Sections 522(b) and 523(e). Such rent levels shall be calculated in accordance with HUD instructions.

During the renewal term, the contract rents shall not be adjusted upwards or downwards. However, if contract rent exceeds the rent levels permitted by Sections 522(b) and 523(e), such contract rents shall be reduced, and the owner shall refund any payment in excess of such rent levels.

During the renewal term, the following provisions of the expiring HAP contract do not apply:

- a. Provisions concerning annual and special adjustments of contract rent.
- b. Provisions concerning base rent.

If the renewal term commences on a date other than the first day of a calendar month, or ends on a date other than the last day of a calendar month, contract rent shall be pro-rated.

## **5. RENEWAL OF OTHER TERMS**

Except as provided in section 4 of this renewal contract, all terms of the expiring HAP contract are renewed.

## **6. MAXIMUM PAYMENT**

Notwithstanding any other provision of the expiring HAP contract or this renewal contract, aggregate payments by the PHA to the owner under this renewal contract shall in no event exceed the amount of budget authority specified in the exhibit of contract information.

(For a HAP contract renewed in stages, aggregate payments for all stages under this renewal contract, shall in no event exceed such amount.)

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7. **OWNER RESPONSIBILITY**

Housing quality standards. The owner warrants that the contract units comply with HUD's Housing Quality Standards, and will so comply at all times during the term of this renewal contract.

Conditions for housing assistance payments. Unless the owner complies with the HAP contract and this renewal contract, the owner does not have a right to receive housing assistance payments.

8. **EXCLUSION OF THIRD PARTY RIGHTS**

The PHA does not assume any responsibility for injury to, or any liability to, any person injured as a result of the owner's action or failure to act in connection with the implementation of the HAP contract or renewal contract, or as a result of any other action or failure to act by the owner.

The owner is not the agent of the PHA, and the HAP contract or renewal contract does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner.

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Nothing in the HAP contract or renewal contract shall be construed as creating any right of an assisted family or other third party (other than HUD) to enforce any provision of the HAP contract or renewal contract, or to assert any claim against HUD, the PHA or the owner under the HAP contract or renewal contract.

Signatures:

**PUBLIC HOUSING AGENCY**

\_\_\_\_\_  
Print Name of PHA

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name and Title of Signatory

\_\_\_\_\_  
Date

**OWNER**

\_\_\_\_\_  
Print Name of Owner

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name and Title of Signatory

\_\_\_\_\_  
Date

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Moderate Rehabilitation Program  
Renewal of HAP contract: 1998

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**CONTRACT INFORMATION**

Contract Number: \_\_\_\_\_

Project name: \_\_\_\_\_

Address: \_\_\_\_\_

City and State: \_\_\_\_\_

Budget authority amount: \$ \_\_\_\_\_

Commencement date: \_\_\_\_\_

Number of Units	Number of Bedrooms	Contract Rent (per month)
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Moderate Rehabilitation Program  
Renewal of HAP contract: 1998